

# HUNGRY HORSE, LLC

## ENVIRONMENTAL SERVICES

Dirt Work \* On-Site Remediation \* Soil Testing \* Excavation

Page | 1

29Apr11

To: Mike Bratcher, NM OCD Dist II  
Terry Gregston, BLM, Carlsbad  
Reference: Remediation Work Plan  
Operator: Linn Energy  
Location: J L Keel B #22  
API: 30-015-05082  
NMLC 029435B  
Legals: Ul. L, Sec. 5, T17S, R31E

### Background Information

The J L Keel B #22 is located approximately five miles east of Loco Hills, NM north of Highway 82 off Skelly Road. This is an inactive well site with a GPS location of N32.8620 W103.8983. The well location lies on the edge of a steep sloping hill that slopes toward the west. The New Mexico Office of the State Engineer lists no data for depth to groundwater for this location. However, the Eddy County Depth to Groundwater Map indicates a depth of 300'.

The site ranking score for this site 0 based upon the following information:

Depth to Groundwater	>100'
Distance to Surface Body of Water	>1000'
Wellhead Protection Area	>1000'

The release was the result of a frac tank release. Hydrocarbons and produced water exited the location on the west side and entered into a narrow shallow draw crossing two lease roads before pooling in the at the bottom of the hill at the edge of a playa.

### Current Work Completed

Five sample points were chosen for soil sampling with samples being obtained by use of hand tools and by mechanical means. Samples were obtained at 1'-5' BGS according to generally accepted industry standards and were transported under chain of custody to Cardinal Lab in Hobbs, NM for analysis to determine TPH, TEX, and Chloride levels. A sketch of the affected area and lab analytical results are included with this proposal.

**HUNGRY HORSE, LLC**  
**ENVIRONMENTAL SERVICES**

---

Dirt Work      \*      On-Site Remediation      \*      Soil Testing      \*      Excavation

---

Page | 2

**Remediation Work Plan Proposal**

Due to the "rainy season" for the Permian Basin is fast approaching, speed in the remediation process is of utmost importance. Should a significant rain event happen, contaminants will be carried closer to, if not to, the playa that lies to the west of the release location.

The proposed remediation plan is to mechanically excavate the affected areas to a depth of 4' BGS. The affected area from the location to the west/southwest in the narrow draw will be excavated from the vicinity of SP 1 to SP 3 (see attached sketch) along the draw. Excavation will continue south of the lease road in the affected area between the sand dunes to the "pooling" area at the edge of the playa in the vicinity of SP 5. Upon completion of the excavation as stated, confirmation samples will be obtained from the same sample point areas and analyzed for TPH, BTEX, and Chlorides. Analytical results will be presented to NM OCD and BLM for their feedback. Upon approval to backfill, clean material from a BLM approved source will be used for backfill and the area will be re-seeded with a BLM approved seed mixture. All contaminated soil will be transported to a division approved disposal facility.

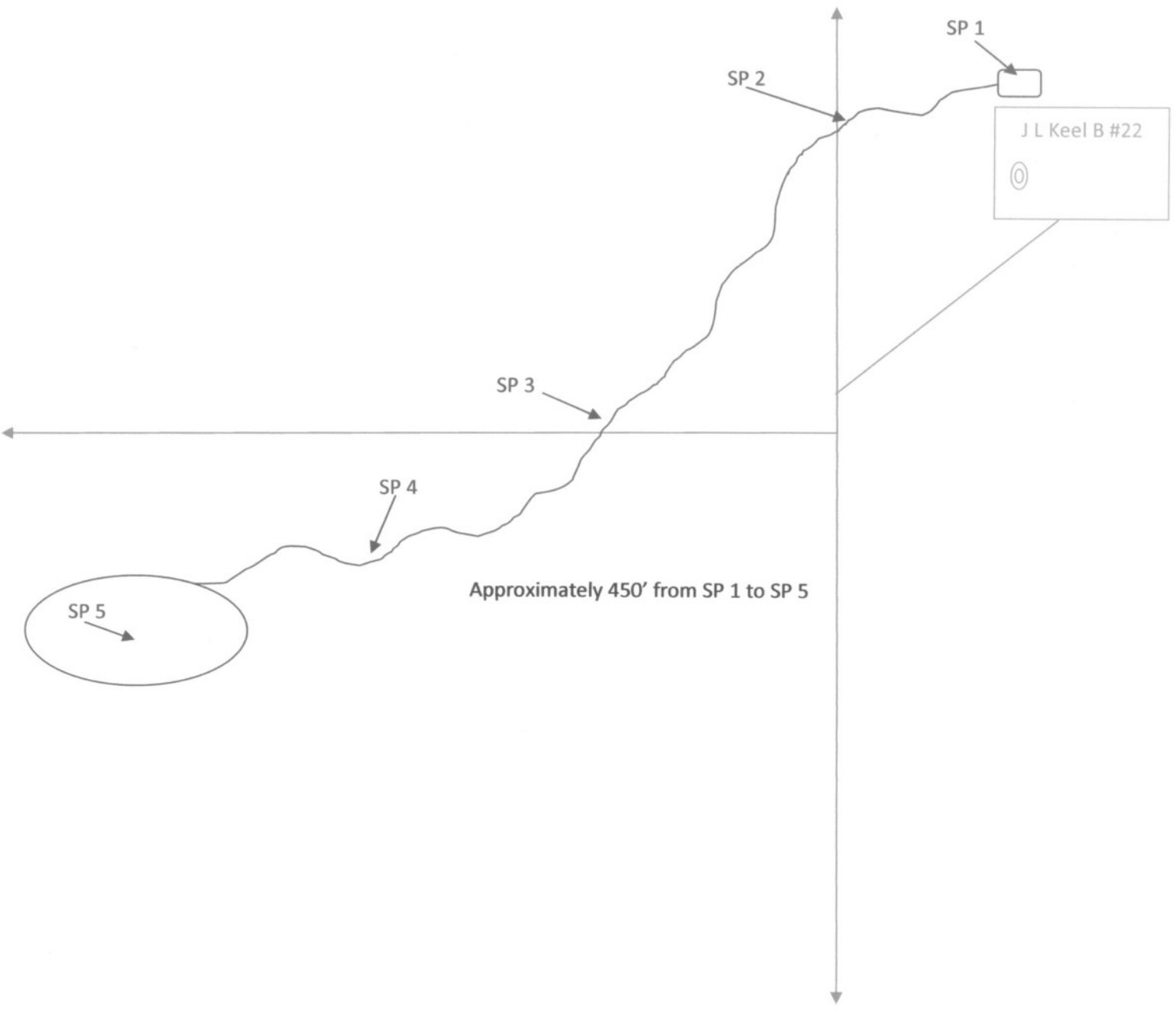
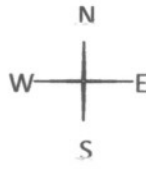
This plan will cause the least amount of surface disturbance to the ecologically sensitive area, yet it will result in complete remediation of the affected area.

Sincerely,



---

Vernon K. Black  
HSE  
Hungry Horse, LLC  
Hobbs, NM  
575 631 2253 cell  
575 393 3386 office



NOTE: Drawing is not to scale, for use as a representation only.

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #1 1' BGS (H100834-01)**

BTEX 8021B		mg/kg	Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>0.188</b>	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>0.611</b>	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 95.2 % 70-130

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>32.0</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	<b>187</b>	50.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 117 % 70-130

Surrogate: 1-Chlorooctadecane 116 % 70-130

**Sample ID: SP #1 3' BGS (H100834-02)**

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>32.0</b>	16.0	04/27/2011	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #1 5' BGS (H100834-03)**

BTEX 8021B		mg/kg	Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>0.068</b>	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>0.167</b>	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 92.8 % 70-130

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>64.0</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ck/							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<50.0	50.0	04/28/2011	ND	220	110	200	3.58		
DRO >C10-C28	<b>178</b>	50.0	04/28/2011	ND	211	105	200	2.94		

Surrogate: 1-Chlorooctane 137 % 70-130

Surrogate: 1-Chlorooctadecane 137 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #2 1' BGS (H100834-04)**

BTX 8021B			mg/kg				Analyzed By: CMS			S-LOW	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
Benzene*	<1.00	1.00	04/28/2011	ND	2.34	117	2.00	14.5			
Toluene*	21.2	1.00	04/28/2011	ND	2.31	115	2.00	15.1			
Ethylbenzene*	58.6	1.00	04/28/2011	ND	2.35	117	2.00	14.5			
Total Xylenes*	118	3.00	04/28/2011	ND	6.88	115	6.00	14.6			

Surrogate: 4-Bromofluorobenzene (PIL) 69.3 % 70-130

Chloride, SM4500Cl-B			mg/kg				Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
Chloride	5120	16.0	04/27/2011	ND	432	108	400	0.00			

TPH 8015M			mg/kg				Analyzed By: ck/				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	6890	50.0	04/28/2011	ND	220	110	200	3.58			
DRO >C10-C28	22300	50.0	04/28/2011	ND	211	105	200	2.94			

Surrogate: 1-Chlorooctane 123 % 70-130

Surrogate: 1-Chlorooctadecane 129 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #2 2" BGS (H100834-05)**

BTEX 8021B		mg/kg		Analyzed By: CMS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	04/28/2011	ND	2.34	117	2.00	14.5	
Toluene*	<b>1.92</b>	0.100	04/28/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>7.78</b>	0.100	04/28/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>16.0</b>	0.300	04/28/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PII) 74.0 % 70-130

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>5440</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M		mg/kg		Analyzed By: ck/					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<b>738</b>	50.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	<b>4570</b>	50.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 109 % 70-130

Surrogate: 1-Chlorooctadecane 108 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #3 1' BGS (H100834-06)**

BTEx 8021B			mg/kg						
			Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<b>0.108</b>	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>0.420</b>	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>0.889</b>	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 90.8 % 70-130

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>1140</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M			mg/kg						
			Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	<b>249</b>	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 109 % 70-130

Surrogate: 1-Chlorooctadecane 109 % 70-130

**Sample ID: SP #3 3' BGS (H100834-07)**

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>1170</b>	16.0	04/27/2011	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/22/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #3 5' BGS (H100834-08)**

BTEX 8021B		mg/kg		Analyzed By: CMS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>0.092</b>	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>0.193</b>	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PII) 92.6 % 70-130

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>32.0</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M		mg/kg		Analyzed By: ck/					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	<10.0	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 118 % 70-130

Surrogate: 1-Chlorooctadecane 122 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #4 1' BGS (H100834-09)**

BTX 8021B		mg/kg	Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<b>0.050</b>	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<b>0.161</b>	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<b>0.292</b>	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 91.0 % 70-130

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>2080</b>	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	<b>21.8</b>	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 105 % 70-130

Surrogate: 1-Chlorooctadecane 106 % 70-130

**Sample ID: SP #4 3' BGS (H100834-10)**

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<b>2880</b>	16.0	04/27/2011	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/22/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #4 5' BGS (H100834-11)**

BTX 8021B			mg/kg						
			Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<0.050	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<0.150	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 95.2 % 70-130

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	144	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M			mg/kg						
			Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	13.2	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 142 % 70-130

Surrogate: 1-Chlorooctadecane 138 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/21/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #5 1' BGS (H100834-12)**

BTEx 8021B			mg/kg						
			Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<0.050	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<0.150	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 93.5 % 70-130

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2320	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M			mg/kg						
			Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	252	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 112 % 70-130

Surrogate: 1-Chlorooctadecane 114 % 70-130

**Sample ID: SP #5 3' BGS (H100834-13)**

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2920	16.0	04/27/2011	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Hungry Horse Environmental  
VERNON BLACK  
P.O. Box 1058  
Hobbs NM, 88240  
Fax To: (505) 391-4585

Received: 04/25/2011  
Reported: 04/29/2011  
Project Name: J L KEEL B #22  
Project Number: NONE GIVEN  
Project Location: EDDY COUNTY, NM

Sampling Date: 04/22/2011  
Sampling Type: Soil  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

**Sample ID: SP #5 5' BGS (H100834-14)**

BTX 8021B			mg/kg						
			Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/27/2011	ND	2.34	117	2.00	14.5	
Toluene*	<0.050	0.050	04/27/2011	ND	2.31	115	2.00	15.1	
Ethylbenzene*	<0.050	0.050	04/27/2011	ND	2.35	117	2.00	14.5	
Total Xylenes*	<0.150	0.150	04/27/2011	ND	6.88	115	6.00	14.6	

Surrogate: 4-Bromofluorobenzene (PIL) 93.5 % 70-130

Chloride, SM4500Cl-B			mg/kg						
			Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	336	16.0	04/27/2011	ND	432	108	400	0.00	

TPH 8015M			mg/kg						
			Analyzed By: ck/						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/28/2011	ND	220	110	200	3.58	
DRO >C10-C28	11.7	10.0	04/28/2011	ND	211	105	200	2.94	

Surrogate: 1-Chlorooctane 101 % 70-130

Surrogate: 1-Chlorooctadecane 103 % 70-130

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

# OPERATOR'S COPY

Form 3160-18  
(October, 1999)

Number 11TG012

Page 1 of 1

☒ Certified Mail - Return  
Receipt Requested  
7010187000352261375

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

### NOTICE OF WRITTEN ORDER

IDENTIFICATION	
IID	
Lease	NMLC029435B
CA	
Unit	
PA	

Bureau of Land Management Office <b>CARLSBAD FIELD OFFICE</b>				Operator <b>LINN OPERATING INC.</b>			
Address <b>620 E GREENE STREET CARLSBAD NM 88220</b>				Address <b>600 TRAVIS STREET SUITE 5100 HOUSTON TX 77002</b>			
Telephone <b>575-234-5958</b>				Attention			
Inspector <b>GREGSTON</b>				Attn Addr			
Site Name <b>J L KEEL B</b>	Well or Facility <b>22</b>	1/4 1/4 Section <b>NWSW 5</b>	Township <b>17S</b>	Range <b>31E</b>	Meridian <b>NMP</b>	County <b>EDDY</b>	State <b>NM</b>
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
03/17/2011	17:45	04/20/2011		NTL-3A, 43 CFR 3162.1(a), 43 CFR 3162.5-1(c)

#### Remarks:

A spill occurred on this location in late 2010. The spill has not been delineated. No cleanup plan has been submitted. CORRECTIVE ACTION: Delineate the spill. BLM may wish to witness the sampling and delineation. Contact Terry Gregston, 575-361-2635, to schedule. Submit a cleanup plan for BLM approval by the abatement date. If you have any questions, contact Terry Gregston, 575-361-2635.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Production Foreman Signature [Signature] Date 29 Apr 11

Company Comments

phone: 505-206-7673

#### Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

#### Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date <u>03/17/11</u>	Time <u>17:50</u>
---	-------------------------	----------------------

#### FOR OFFICE USE ONLY

Number <b>3</b>	Date	Type of Inspection <b>SV</b>
--------------------	------	---------------------------------